

## AN ACT

ENTITLED, An Act to limit the transfer or renewal of certain alcohol beverage licenses.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 35-2-7 be amended to read as follows:

35-2-7. Any license granted under this title may be transferred to a new location or to another person. If the transfer is to another person, the licensee shall show in writing, under oath, that the licensee has made a bulk sale of the business operated under the license. The bulk sale may be conditioned upon the granting of a transfer of the license. The transferee shall make an application exactly as if an original applicant, and the application shall take the same course and be acted upon as if an original application. No transfer of any license to another person may be granted until all taxes incurred by the transferor as a result of the operation of the licensed premises, including municipal and state sales and use taxes, unemployment insurance tax, or any other state tax, are paid or are not delinquent. No transfer of any license to another person may be granted until all property taxes which are the liability of the licensee levied on the licensed premises are paid or are not delinquent. No transfer of any license may be granted from an Indian tribe operating in Indian country controlled by the Indian tribe or from an enrolled tribal member operating in Indian country controlled by the enrolled tribal member's tribe until all use tax incurred as a result of the operation of the licensed premises by nonmembers, and any other state tax, has been remitted or is not delinquent. If the transfer is to a new location, the licensee shall make application showing all the relevant facts for the new location. The application shall take the same course and be acted upon as if an original application. If a license is transferred, a fee of one hundred fifty dollars is required to continue the unexpired portion of the license.

Section 2. That § 35-2-24 be amended to read as follows:

35-2-24. No license granted under this title may be reissued until all taxes incurred by the

licensee as a result of the operation of the licensed premises, including municipal and state sales and use taxes, unemployment insurance tax, or any other state tax, are paid or are not delinquent. No license granted under this title may be reissued until all property taxes which are the liability of the licensee levied on the licensed premises are paid or are not delinquent. No license granted under this title may be reissued to an Indian tribe operating in Indian country controlled by the Indian tribe or to an enrolled tribal member operating in Indian country controlled by the enrolled tribal member's tribe until the Indian tribe or enrolled tribal member remits to the Department of Revenue and Regulation all use tax incurred by nonmembers as a result of the operation of the licensed premises, and any other state tax has been remitted or is not delinquent.

Section 3. That § 35-2-25 be amended to read as follows:

35-2-25. No license granted pursuant to subdivisions 35-4-2(3), (4), (6), (12), (13), (16), and (17) may be issued unless the applicant has first obtained a sales tax license pursuant to chapter 10-45, or, if applicable, a use tax license pursuant to chapter 10-46. The provisions of this section do not apply to a municipality which has procured a retail alcoholic beverage license pursuant to chapter 35-3.

Section 4. The provisions of this Act are effective January 1, 2007.

An Act to limit the transfer or renewal of certain alcohol beverage licenses.

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I certify that the attached Act  
originated in the

SENATE as Bill No. 98

\_\_\_\_\_  
Secretary of the Senate  
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\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

Senate Bill No. 98

File No. \_\_\_\_\_

Chapter No. \_\_\_\_\_

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Received at this Executive Office  
this \_\_\_\_\_ day of \_\_\_\_\_ ,

20\_\_\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor  
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The attached Act is hereby  
approved this \_\_\_\_\_ day of  
\_\_\_\_\_, A.D., 20\_\_\_\_

\_\_\_\_\_  
Governor

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STATE OF SOUTH DAKOTA,  
ss.  
Office of the Secretary of State

Filed \_\_\_\_\_, 20\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of State

By \_\_\_\_\_  
Asst. Secretary of State